

may be liable to a fine of not more than \$10,000 or to imprisonment of not more than 5 years, or both (18 U.S.C. §§ 287; 1001), and, in addition, to a forfeiture of \$2,000 and a penalty of double the loss or damage sustained by the United States (31 U.S.C. § 231).

§ 429.110 Limitation on SSA's authority.

(a) An award, compromise or settlement of a claim hereunder in excess of \$25,000 shall be effected only with the prior written approval of the Attorney General or his designee. For the purposes of this paragraph, a principal claim and any derivative or subrogated claim shall be treated as a single claim.

(b) An administrative claim may be adjusted, determined, compromised or settled hereunder only after consultation with the Department of Justice when, in the opinion of SSA:

(1) A new precedent or a new point of law is involved; or

(2) A question of policy is or may be involved; or

(3) The United States is or may be entitled to indemnity or contribution from a third party and SSA is unable to adjust the third party claim; or

(4) The compromise of a particular claim, as a practical matter, will or may control the disposition of a related claim in which the amount to be paid may exceed \$25,000.

(c) An administrative claim may be adjusted, determined, compromised or settled only after consultation with the Department of Justice when it is learned that the United States or an employee, agent or cost plus contractor of the United States is involved in litigation based on a claim arising out of the same incident or transaction.

purpose of this regulation includes former employees) for any verdict, judgment or other monetary award which is rendered against any such employee, provided that the conduct giving rise to the verdict, judgment or award was taken within the scope of his or her employment with SSA and that such indemnification is in the interest of the United States, as determined by the Commissioner, or his or her designee, in his or her discretion.

(b) SSA may settle or compromise a personal damage claim against its employee by the payment of available funds, at any time, provided the alleged conduct giving rise to the personal damage claim was taken within the scope of employment and that such settlement or compromise is in the interest of the United States, as determined by the Commissioner, or his or her designee, in his or her discretion.

(c) Absent exceptional circumstances, as determined by the Commissioner or his or her designee, SSA will not entertain a request either to agree to indemnify or to settle a personal damage claim before entry of an adverse verdict, judgment or monetary award.

(d) When an employee of SSA becomes aware that an action has been filed against the employee in his or her individual capacity as a result of conduct taken within the scope of his or her employment, the employee should immediately notify SSA that such an action is pending.

(e) The employee may, thereafter, request either:

(1) Indemnification to satisfy a verdict, judgment or award entered against the employee; or

(2) Payment to satisfy the requirements of a settlement proposal. The employee shall submit a written request, with documentation including copies of the verdict, judgment, award or settlement proposal, as appropriate, to the Deputy Commissioner or other designated official, who shall thereupon submit to the General Counsel, in a timely manner, a recommended disposition of the request. The General Counsel shall also seek the views of the Department of Justice. The General Counsel shall forward the request, the

PART 430—PERSONNEL

AUTHORITY: Section 702(a)(5) of the Social Security Act (42 U.S.C. 902(a)(5)).

INDEMNIFICATION OF SSA EMPLOYEES

§ 430.101 Policy.

(a) The Social Security Administration (SSA) may indemnify, in whole or in part, its employees (which for the

Deputy Commissioner's or other designated official's recommended disposition, and the General Counsel's recommendation to the Commissioner or his or her designee for decision.

(f) Any payment under this section either to indemnify an SSA employee or to settle a personal damage claim shall be contingent upon the availability of appropriated funds.

[62 FR 39935, July 25, 1997]

PARTS 431-497 [RESERVED]

PART 498—CIVIL MONETARY PENALTIES, ASSESSMENTS AND RECOMMENDED EXCLUSIONS

Sec.

- 498.100 Basis and purpose.
- 498.101 Definitions.
- 498.102 Basis for civil monetary penalties and assessments.
- 498.103 Amount of penalty.
- 498.104 Amount of assessment.
- 498.105 [Reserved]
- 498.106 Determinations regarding the amount or scope of penalties and assessments.
- 498.107 [Reserved]
- 498.108 Penalty and assessment not exclusive.
- 498.109 Notice of proposed determination.
- 498.110 Failure to request a hearing.
- 498.114 Collateral estoppel.
- 498.115-498.125 [Reserved]
- 498.126 Settlement.
- 498.127 Judicial review.
- 498.128 Collection of penalty and assessment.
- 498.129 Notice to other agencies.
- 498.132 Limitations.
- 498.201 Definitions.
- 498.202 Hearing before an administrative law judge.
- 498.203 Rights of parties.
- 498.204 Authority of the administrative law judge.
- 498.205 Ex parte contacts.
- 498.206 Prehearing conferences.
- 498.207 Discovery.
- 498.208 Exchange of witness lists, witness statements and exhibits.
- 498.209 Subpoenas for attendance at hearing.
- 498.210 Fees.
- 498.211 Form, filing and service of papers.
- 498.212 Computation of time.
- 498.213 Motions.
- 498.214 Sanctions.
- 498.215 The hearing and burden of proof.
- 498.216 Witnesses.
- 498.217 Evidence.

- 498.218 The record.
- 498.219 Post-hearing briefs.
- 498.220 Initial decision.
- 498.221 Appeal to DAB.
- 498.222 Final decision of the Commissioner.
- 498.223 Stay of initial decision.
- 498.224 Harmless error.

AUTHORITY: Secs. 702(a)(5), 1129, and 1140 of the Social Security Act (42 U.S.C. 902(a)(5), 1320a-8, and 1320b-10).

SOURCE: 60 FR 58226, Nov. 27, 1995, unless otherwise noted.

§ 498.100 Basis and purpose.

(a) *Basis*. This part implements sections 1129 and 1140 of the Social Security Act (42 U.S.C. 1320a-8 and 1320b-10).

(b) *Purpose*. This part provides for the imposition of civil monetary penalties and assessments, as applicable, against persons who—

(1) Make or cause to be made false statements or representations, or omissions of material fact for use in determining any right to or amount of benefits under title II or benefits or payments under title XVI of the Social Security Act; or

(2) Misuse certain Social Security program words, letters, symbols, and emblems.

[60 FR 58226, Nov. 27, 1995, as amended at 61 FR 18079, Apr. 24, 1996]

§ 498.101 Definitions.

As used in this part:

Agency means the Social Security Administration.

Assessment means the amount described in § 498.104, and includes the plural of that term.

Commissioner means the Commissioner of Social Security or his or her designees.

Department means the U.S. Department of Health and Human Services.

General Counsel means the General Counsel of the Social Security Administration or his or her designees.

Inspector General means the Inspector General of the Social Security Administration or his or her designees.

Material fact means a fact which the Commissioner of Social Security may consider in evaluating whether an applicant is entitled to benefits under title II or eligible for benefits or payments under title XVI of the Social Security Act.